



South Coast Air Quality Management District

21865 Copley Drive, Diamond Bar, CA 91765-4178
(909) 396-2000 • www.aqmd.gov

HOME RULE ADVISORY GROUP MEETING

AGENDA

September 17, 2014 ♦10:00 a.m.

**SCAQMD Headquarters - Conference Room CC-8
21865 Copley Dr. – Diamond Bar, CA**

*(The public may also participate at the locations listed below.
Committee members may only participate from noticed locations.)*

TELECONFERENCE LOCATIONS

**California Air Resources Board
1001 I Street, Room 7-27
Sacramento, CA 95814**

**SCAG (Main Office)
818 W. 7th Street, 12th Floor
Conference Room CR-West-7th
Los Angeles, CA 90017**

**Riverside Transit Agency
Executive Office
1825 Third Street
Riverside, CA 92507**

**CCEEB
101 Mission Street, Suite 805
San Francisco, CA 94105**

1. Welcome & Self-Introductions.....Dr. Joseph Lyou, Chair
2. Approval of July 23, 2014 Minutes.....Dr. Lyou
3. Legislative Update.....Philip Crabbe III
Community Relations Manager, SCAQMD
This item highlights legislation and related matters of interest at the local, state, and federal level that were discussed at the recent Legislative Committee meeting.
4. Update Regarding Litigation Items and Related EPA Actions.....Bill Wong
Principal Deputy District Counsel, SCAQMD
This item provides an update on several litigation items that the District is currently involved in as a party, an intervener, or an amicus curiae.
5. EPA and Federal Activities.....Dr. Lyou
This item is to report on EPA and federal activities in 2014.
6. CARB Regulatory Activities.....Chris Gallenstein, CARB
AQMD Staff
This item is to report on proposed CARB Rules and amendments for the year 2014 and SCAQMD staff's comments on them related to the AQMP. CARB staff and the committee will discuss items on CARB's Board agenda and CARB's control measures calendar. CARB staff will provide periodic updates on AB 32 auction revenues, as needed.

7. Consensus Building.....Jayne Joy
The HRAG will discuss recommendations to avoid litigation regarding local, state, and federal regulatory activities.
8. Subcommittee Status Reports:
These items are to report on the subcommittee activities and discussions that have occurred at monthly HRAG subcommittee meetings.
 - A. Freight SustainabilityLee Wallace
Subcommittee Chair
 - B. Small Business Considerations.....Bill LaMarr
Subcommittee Chair
 - C. Environmental Justice.....Curt Coleman
Subcommittee Chair
 - D. New Source ReviewBill Quinn
Subcommittee Chair
 - E. Climate Change Activities.....David Rothbart
Subcommittee Chair
9. Report From and to Stationary Source Committee.....Elaine Chang
This item is to report on any action items coming to the HRAG from the Stationary Source Committee and to discuss items that the HRAG would like staff to bring to the Stationary Source Committee.
10. Other Business
Any member of the committee, on his or her own initiative or in response to questions proposed by the public, may ask a question for clarification, may make a brief announcement or report on his or her own activities, provide a reference to staff regarding factual information, request staff to report back at a subsequent meeting concerning any matter or may take action to direct staff to place matter of business on a future agenda. [Govt. Code Section 54954.2]
11. Public Comment
Members of the public may address this body concerning any agenda item before or during consideration of that item (Govt. Code Section 54954.3(a)). All agendas for regular meetings are posted at District Headquarters, 21865 Copley Drive, Diamond Bar, California, at least 72 hours in advance of a regular meeting. At the end of the regular meeting agenda, an opportunity is also provided for the public to speak on any subject within the Home Rule Advisory Group's authority. Speakers may be limited to three (3) minutes each.
12. Adjournment

Next Meeting: October 22, 2014 – 10:00 a.m. in Conference Room CC-8.

Document Availability: All documents (i) constituting non-exempt public records, (ii) relating to an item on an agenda for a regular meeting, and (iii) having been distributed to at least a majority of the Committee after the agenda is posted, are available prior to the meeting for public review at the South Coast Air Quality Management District, Public Information Center, 21865 Copley Drive, Diamond Bar, CA 91765.

Americans with Disabilities Act: The agenda and documents in the agenda packet will be made available, upon request in appropriate alternative formats to assist persons with a disability (Govt. Code Section 54954.2(a)). Disability-related accommodations will also be made available to allow participation in the Home Rule Advisory Group meeting. Any accommodations must be requested as soon as practicable. Requests will be accommodated to the extent feasible. Please contact Marilyn Traynor at (909) 396-3951 from 7:00 a.m. to 5:30 p.m., Tuesday through Friday, or send the request to mtraynor@aqmd.gov.

Agenda Item No. 2

BACKGROUND: The Home Rule Advisory Group (HRAG) usually meets on the third Wednesday of each month and is Chaired by Governing Board Member Dr. Joseph Lyou. As required by Governing Board Resolution, the HRAG shall give a monthly summary to the Stationary Source Committee. Following is a summary of the July 23, 2014 meeting.

REPORT CONTENT

TOPIC	DESCRIPTION
Technology R&D and Certification	<p>Henry Hogo, Assistant DEO, Science & Technology Advancement, provided an update and background information on technology research and development and the certification process. He reported as follows: The entire process for a passenger vehicle to be commercialized can take 8-10 years. Once the vehicle is commercialized, the automobile manufacturer submits the emissions paperwork to U.S. EPA and CARB for certification. Engine and automobile manufacturers have to meet regulatory certification procedures provisions for the state of California to receive CARB certification and for the vehicles to be sold in the state of California. Vehicles that weigh more than 8,500 pounds gross vehicle weight undergo two types of certification processes. The first process is an incomplete vehicle certification process typically done by the engine manufacturers. The second certification process is a complete vehicle certification process similar to the passenger car certification process. Due to the high cost, only a limited number of R&D engines go through the certification process.</p> <p><i>Q</i> Are sufficient clean technologies currently available to reach attainment for ozone. <i>A.</i> There is a need for additional cleaner combustion engines as well as zero emission and near-zero emission technologies that are 90% cleaner than today's level. SCAQMD is working with the Energy Commission and the Gas Company on the development of a 0.2 gram/bhp-hr NOx natural gas engine which could be commercialized in the next three to four years.</p> <p><i>Q.</i> Are new alternative technologies available to reduce diesel risk? <i>A.</i> Although diesel risk has been reduced over time, zero emission technologies and alternative fuels can help reduce diesel particulate matter.</p> <p><i>Q.</i> Is R&D funding solely for mobile sources? <i>A.</i> Although the primary focus is on mobile sources, there is a nominal amount of monies available for stationary source technology R&D.</p> <p><i>Q.</i> Is the black box primarily stationary sources? <i>A.</i> The black box is primarily mobile sources (both on-road and off-road).</p> <p><i>Q.</i> Are there opportunities to expedite the certification process without sacrificing the quality of work? <i>A.</i> CARB has been streamlining their certification process.</p> <p><i>Q.</i> Are incentives provided to independent truckers for the purchase of newer technology trucks? <i>A.</i> TAO has helped fund over 4,500 drayage and non-drayage trucks with Proposition 1B funding.</p> <p><i>Q.</i> Are public agencies required to use cleaner technology vehicles in their fleets? <i>A.</i> Rule 1191 regulates passenger vehicles and public fleets. Six major transit operators in the South Coast region run on alternative fuel (approximately 3,500 natural gas transit buses), and the City of Los Angeles parking enforcement staff uses Honda civics run on natural gas and Honda hybrids. SCAQMD's vehicle fleet is alternative, and many of the City of Los Angeles refuse trucks run on natural gas.</p>

	<p>Comments: One HRAG member noted that other organizations and utilities may be reluctant to switch over to alternative fuel fleets if the infrastructure is not already in place. Another member noted that the lengthy certification process for R&D technology is not necessarily due to bureaucratic inaction but because technology cannot be forced beyond the margins of what is known for science and chemistry; also, the Clean Air Act requires that emission reductions be permanent which is more difficult to sustain. Another member noted that certification may be delayed because the exact emission benefits are unknown at the time or because the reductions may not be at the target level yet.</p>
Update on Proposed 1304.2	<p>Naveen Berry, Planning and Rules Manager, provided background information and the following update on Proposed Rule 1304.2:</p> <p>SCAQMD has held informal meetings with key stakeholders (representatives from the environmental community, CCEEB, SCE, SoCalGas, DWP, and others) to discuss implementation strategy for Proposed Rule 1304.2. Also a Proposed Rule 1304.2 Working Group meeting was held on July 10, 2014. Staff plans to hold a public workshop in fall 2014. Because the NGOs do not want to site any of the new generation or power plants in environmental justice areas, consideration will be given on: (1) how to site the new power plants so as to avoid environmental justice (EJ) areas and (2) how to funnel the offset fees back into EJ communities.</p> <p><i>Q</i> Will the rule staff report include a historical draw of internal offsets which can be used to predict future needs? <i>A.</i> The staff report will address those issues (Dr. Lyou noted the importance of essential public services and small business stakeholders meeting with SCAQMD staff to discuss and plan for future needs). <i>Q.</i> Will the fees collected be used to fund programs in the impacted EJ communities? <i>A.</i> Historically the Board has directed SCAQMD staff to use these types of fees to fund programs in the impacted EJ communities. <i>Q.</i> Has SCAQMD staff considered how to set a price on the credits? <i>A.</i> The initial concept is to be in line with the Rule 1304.1 fee structure that was approved by the Board.</p> <p>Comments: One HRAG member noted that the price on credits should be set based upon the cost of obtaining the necessary mitigations. Another member added that the cost of the fee will be built into the cost of the electricity and also emphasized the importance of moving forward expeditiously with Proposed Rule 1304.2 so that offsets are available and to avoid potential litigation.</p>
Update on OEHHA's Air Toxics Hot Spots Program Guidance Manual for the Preparation of Risk Assessments	<p>Ian MacMillan, Program Supervisor, provided the following update on OEHHA'S revised Air Toxics Hot Spots Program Guidance Manual for the Preparation of Risk Assessments:</p> <p><u><i>Background</i></u> The Office of Environmental Health Hazard Assessment (OEHHA) has revised and is soliciting public comment on an update of its Air Toxics Hot Spots Program Guidance Manual for the Preparation of Risk Assessments (Guidance Manual) which was originally approved in 2003.</p> <p>Proposed revisions to the OEHHA Risk Guidance include:</p>

Age Specific Factors

Based on the 2009 Cancer Potency Factors TSD, children are more susceptible to carcinogenic risks than originally thought in 2003.

Breathing Rate

Based on the 2012 Exposure Assessment Methodology TSD, the breathing rate has been modified for different age groups and is higher for children than originally thought in 2003.

Exposure Duration

Based on the 2012 Exposure Assessment Methodology TSD, the minimum exposure duration that should be considered in a risk assessment has been reduced to two months instead of nine years as specified in the 2003 Guidance Manual. In addition, individual residential exposure durations have been reduced from 70 years to 30 years, and worker exposure durations have been reduced from 40 years to 25 years.

Because of the revised method for calculating risks, residential risk may increase approximately three times higher than before, even though pollutant concentrations may show a significant decrease. OEHHA's new calculation method could affect SCAQMD's risk based programs. Under Rule 1402, public notifications could increase, and some facilities that may have already gone through the health risk assessment process may have to go through the process again if the risks are now above the threshold. Gas stations and auto body shops may have difficulty obtaining permits based on throughput level. Under CEQA, additional EIRs may need to be conducted because of the increased exposure duration. SCAQMD staff will investigate whether some of these changes can be addressed industry-wide rather than on a project-specific basis.

SCAQMD staff plans to rely on risk management to address the changes in OEHHA's risk assessment methodologies. Other actions SCAQMD staff may pursue include: working with state agencies to develop statewide toxic communication tools to explain OEHHA procedure changes; maximizing programmatic risk reduction opportunities through source-specific rulemaking; developing a work plan to phase in and to prioritize implementation of the revised OEHHA procedures.

The public comment period for the draft revised Guidance Manual is scheduled to end on August 4, 2014 (subsequently the comment period was extended to August 18, 2014). The revised Guidance Manual is tentatively scheduled to be reviewed by the Scientific Review Panel in November 2014.

Q. Could SCAQMD consider using a range of risk to provide a more realistic viewpoint?

A. Under the revised guidelines, the new lifetime exposure risk for the residential sensitive receptor is 30 years. SCAQMD plans to open up Rule 1402 and possibly Rule 1401 to review the timing requirements for HRAs, risk reduction plans, and inventories.

Q. Would SCAQMD consider using the terms "calculated risk" and "newly calculated risk" to differentiate between the old and new guidelines?

A. Dr. Lyou suggested that the HRAG members present their ideas to SCAQMD and OEHHA for consideration.

	<p>Q. How does SCAQMD plan to address the issue of stationary sources that are already using BACT but may be unable to obtain permits because the new calculation method will show that their cancer risk has tripled?</p> <p>A. These issues will most likely be resolved through rulemaking on a source specific basis; however, staff is still discussing different options.</p> <p>Q. With respect to CEQA, will the workplan propose any preliminary mitigation measure language?</p> <p>A. There are existing tools and guidance to use with regard to mitigation measures such as SCAG's RTP. SCAQMD staff has not discussed whether new mitigation measures will be proposed yet.</p> <p>Comments: One HRAG member emphasized that approximately 2,888 sources have decreased their emissions by 80% since 1990, and this should be publicized; further, the agencies should work together to resolve the issues. Dr. Lyou noted that calculation methods have changed because science has improved; and the risk, particularly to children, may have been under estimated in the past. He noted that SCAQMD will have to cautiously approach how to handle the new information presented by OEHHA.</p>
Legislative Update	<p>Philip Crabbe reported on items that were discussed at the Legislative Committee meeting on July 18, 2014:</p> <p><u>Federal</u></p> <p>The consultants provided the following report to the Legislative Committee on July 18, 2014. SCAQMD staff and key staff from the offices of various Senators, Congressmen, and Congresswomen met to discuss the MAP-21 transportation bill, the Diesel Emission Reduction Act (DERA) funding, and SCAQMD's legislative proposals and priorities which focus primarily on efficient freight transportation and air quality issues.</p> <p>The Senate is likely to vote on the House highway transit fund bill soon. Senator Boxer and others are concerned that there are no policy fixes at this point. The funding patch for the highway trust fund will likely pass before the deadline, which will extend transportation funding through May 2015. Although the House has passed a number of appropriations bills, the Senate has not taken much action in this regard. The expectation is that, after the November elections, the Senate will pass a continuing resolution or some of the pending appropriations bills to help fund the government.</p> <p><u>State</u></p> <p>The consultants discussed the following bills at the Legislative Committee meeting on July 18, 2014:</p> <ul style="list-style-type: none"> • AB 69 (Perea) • AB 2389 (Fox) • SB 1309 (Steinberg/Gaines) • AB 1102 (Allen) <p>There are a number of existing bills that are focused on replacing the current \$11.1 billion water bond measure that is currently on the ballot. Negotiations between the Governor and the legislative leaders will continue until after the legislative recess ends.</p>

Update Regarding Litigation Items and Related EPA Actions	<p>Bill Wong provided the following update on the litigation report:</p> <p><u><i>Utility Air Regulatory Group v. U.S. EPA. U.S. Supreme Court Case No.12-1146 (consolidated with 12-1272, 12-1248, 12-1254, 12-1268, and 12-1269)</i></u></p> <p>The Supreme Court has ruled on the lawsuit brought by the Utility Air Regulatory Group and has determined that PSD (Prevention of Significant Deterioration) permitting requirements may not be triggered solely by the emissions of greenhouse gases. However, for sources that are in PSD “anyway,” the Supreme Court held that these sources could be made to comply with BACT. EPA had not yet determined the de minimus level of greenhouse gases that would trigger BACT.</p>
EPA and Federal Activities	<p>There was no update.</p>
CARB Regulatory Activities	<p><u>CARB REGULATORY ACTIVITIES</u></p> <p>Chris Gallenstein provided the following report.</p> <p>These items that are scheduled to go before CARB’s Board on July 24-25, 2014:</p> <ul style="list-style-type: none"> • Public Meeting to Consider Five Research Proposals • Update to the Board on the Assembly Bill 8 Required Joint Evaluation Process of the Carl Moyer Program Being Conducted by the Air Resources Board and California Air Pollution Control Officers Association • Update to the Board on the Revised Office of Environmental Health Hazard Assessment Health Risk Assessment Guidelines • Update to the Board on the Air Resources Board’s Greenhouse Gas Measurement Program and the Megacities Project • Update to the Board on the Status of the Compliance Offset Program Under the California Cap-and-Trade Program • Update to the Board on San Joaquin Valley Sustainable Communities Strategies • Update to the Board on the Proposed Re-Adoption of the Low Carbon Fuel Standard <p>These items are tentatively scheduled to go before CARB’s Board September through December 2014:</p> <ul style="list-style-type: none"> • Minor Updates to the 1997 8-Hour Ozone Standard SIPs: Coachella Valley and Western Mojave Desert Ozone Nonattainment Areas • Consider Approval of the Imperial PM2.5 Plan • Proposed Adoption of a Rice Protocol for Cap and Trade Regulation Amendments to the LEV III and Hybrid Electric Test Procedures, Amendments to the Zero-Emission Vehicle Regulation, and Progress on the Advanced Clean Cars Program • Proposed Adoption of a Revised Low Carbon Fuel Standard • Alternative Diesel Fuel Regulation • San Joaquin Valley 8-Hour Ozone Update

Consensus Building	There was no report.
Subcommittee Status Reports	<p>A. Freight Sustainability (Lee Wallace). Caltrans is continuing to receive comments on the draft California Freight Mobility Plan. Public comment workshops are scheduled to occur throughout California between June 17 and July 24, 2014. Caltrans is planning to release a draft of the CTP 2040. The goal for public release is February 2015. Caltrans set up seven focus groups to provide input on CTP 2040. Recruitment for the focus groups was accomplished by posting ads in the Community Volunteers and Jobs [ETC] categories on craigslist.org website. Comparing the input gathered from each of the seven focus groups revealed the following high-level, overarching comments:</p> <ul style="list-style-type: none"> ➤ Funding is the biggest challenge facing the state. ➤ Travel time and cost are the primary factors influencing mode of travel and routes. ➤ Transit routes and schedules are unreliable and infrequent. ➤ Reduced fees and incentives are needed to make public transit a more viable choice. ➤ The existing transportation system should be maintained and restored before problems arise. ➤ Alternative transportation options should be explored and connectivity improved between different modes of travel to create an integrated and seamless system. <p>Caltrans has agreed to provide an update on the California Transportation Plan activity at the next HRAG Freight Sustainability Subcommittee meeting which will most likely be scheduled for late September (meeting has been scheduled for September 24 at 1:00 p.m. at SCAQMD, Conference Room CC-8).</p> <p>B. Small Business Considerations (Bill LaMarr) There was no report.</p> <p>C. Environmental Justice (Curt Coleman) There was no report.</p> <p>D. New Source Review (Bill Quinn) The subcommittee may meet in the future to address Rule 1304.2 issues, if necessary.</p> <p>E. Climate Change (David Rothbart) The HRAG members discussed the possibility of streamlined greenhouse gas reporting efforts among agencies (SCAQMD, CARB, and EPA).</p>
Report from and to the Stationary Source Committee	<p>The following items are on the agenda for next Stationary Source Committee meeting on July 25, 2014:</p> <ul style="list-style-type: none"> • Rule 1153.1 – Emissions of Oxides of Nitrogen from Commercial Food Ovens • Rule 1151 - Motor Vehicle and Mobile Equipment Non-Assembly Line Coating Operations • Rule 1110.2 – Status Update on Biogas Engine Technology/Rule Implementation Assessment • Rule 1147 – NOx Reductions from Miscellaneous Sources

	<ul style="list-style-type: none"> • Status Report on Reg. XIII – New Source Review • Update on the Check Before You Burn Program for the Wood Stove and Fireplace Change Out Voucher Incentive Program.
Other Business	There was no discussion.
Public Comments	There were no public comments.
Next meeting	The next meeting of the Home Rule Advisory Group is scheduled for September 17, 2014 at 10:00 a.m. and will be held at SCAQMD in Conference Room CC-8.
2014 Meeting Schedule (remaining meetings)	<p>The following meetings are scheduled to begin at 10:00 a.m. and will be held at SCAQMD in Conference Room CC-8:</p> <p>September 17 October 22 November 19 December 17</p>

SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT

**LEGISLATIVE REPORT
FROM HOME RULE ADVISORY GROUP
MEETING OF JULY 23, 2014**

HRAG members present:

Dr. Joseph Lyou, Chairman

Dr. Elaine Chang, SCAQMD

Mike Carroll, Latham & Watkins on behalf of the Regulatory Flexibility Group

Enrique Chiock, Breathe L.A. (participated by phone)

Curt Coleman, Southern California Air Quality Alliance

Chris Gallenstein, CARB (participated by phone)

Jayne Joy, Eastern Municipal Water District

Bill LaMarr, California Small Business Alliance

Rongsheng Luo, SCAG (participated by phone)

Art Montez, AMA International

Bill Quinn, CCEEB (participated by phone)

Terry Roberts, American Lung Association of California

David Rothbart, Los Angeles County Sanitation Districts

Larry Rubio, Riverside Transit Agency (participated by phone)

Lee Wallace, So Cal Gas and SDG&E

Mike Wang, WSPA

SCAQMD staff: Naveen Berry, Philip Crabbe, Henry Hogo, Ian MacMillan, Susan Nakamura, Jill Whynot, Bill Wong, and Marilyn Traynor

LEGISLATIVE UPDATE

Philip Crabbe reported on items that were discussed at the Legislative Committee meeting on July 18, 2014.

Federal

The consultants provided the following report to the Legislative Committee on July 18, 2014. SCAQMD staff and key staff from the offices of various Senators, Congressmen, and Congresswomen met to discuss the MAP-21 transportation bill, the Diesel Emission Reduction Act (DERA) funding, and SCAQMD's legislative proposals and priorities which focus primarily on efficient freight transportation and air quality issues.

The House Appropriations Committee approved its version of the Interior, Environment Appropriations bill for FY 2015. The bill includes language on EPA targeted airshed grant DERA funding and adds \$10 million to the existing \$30 million of DERA funding already provided. The newly added \$10 million would be distributed on a competitive basis to the nation's top five most polluted areas with regard to ozone or PM_{2.5} federal standards. The bill is expected to be approved by the full House before the August recess.

The Senate is likely to vote on the House highway transit fund bill soon. Senator Boxer and others are concerned that there are no policy fixes at this point. The funding patch for the highway trust fund will likely pass before the deadline, which will extend transportation funding through May 2015. Although the House has passed a number of appropriations bills, the Senate has not taken much action in this regard. The expectation is that, after the November elections, the Senate will pass a continuing resolution or some of the pending appropriations bills to help fund the government.

State

The consultants discussed the following bills at the Legislative Committee meeting on July 18, 2014:

AB 69 (Perea)

This bill will delay the inclusion of motor vehicle fuels within the state cap and trade program for a three-year period. It is expected that after the state legislative recess ends on August 4, 2014, that the bill will be sent to a policy committee; however, it is unlikely that the bill will get passed into law.

AB 2389 (Fox)

This bill, which was passed and signed by the Governor, will provide tax incentives for the aerospace industry and property tax incentives for electric battery manufacturers. The bill is seen as a large benefit to Tesla.

SB 1309 (Steinberg/Gaines)

The bill is aimed at courting Tesla into building a battery factory in California. This bill is an intent bill only, but would provide financial incentives, such as tax credits, and/or regulatory and environmental streamlining for the creation of a factory.

AB 1102 (Allen)

This bill (beach fire rings) is scheduled to be heard in the Senate Appropriations Committee on August 4, 2014.

There are a number of existing bills that are focused on replacing the current \$11.1 billion water bond measure that is currently on the ballot. Negotiations between the Governor and the legislative leaders will continue until after the legislative recess ends.

Discussion

There was no discussion.

STATUS REPORT ON LITIGATION
OFFICE OF THE GENERAL COUNSEL

DATE: September 5, 2014

TO: Home Rule Advisory Group

FROM: William B. Wong, Principal Deputy District Counsel

SUBJECT: Status Report Regarding Litigation

1. NEW CASE: **WildEarth Guardians, et al. v. U.S. EPA, U.S. District Court, D.C. Circuit, Case No. 14-1145**

NATURE OF CASE: Staff requests the Board to ratify its filing of a petition to intervene in this case. The petition was due on August 29, 2014, and staff did not learn of this case until August 20, 2014. Petitioners seek an order requiring EPA to retroactively declare the South Coast Air Basin (and San Joaquin Valley Air Basin) to be in “serious” nonattainment for PM_{2.5}, and to order those districts to submit a “serious area” SIP as soon as possible or face sanctions.

The petitioners’ request is “retroactive” because EPA previously implemented PM_{2.5} requirements under the general nonattainment provisions of the Clean Air Act, but a recent court case held that EPA must apply the PM₁₀ provisions of the Clean Air Act to PM_{2.5}.

Our position is that we have already attained the 1997 PM_{2.5} standard, so a new SIP would be unnecessary. We have until December 31, 2015 (or as late as 2017 if EPA grants extensions) to attain the 2006 PM_{2.5} standard for a “moderate” area, so petitioners’ request is premature. Our motion to intervene was unopposed. The San Joaquin Valley District Board has authorized their district to intervene.

In addition, Earthjustice has filed a 60-day notice of intent to sue U.S. EPA over this same issue under the “nondiscretionary duty” provisions of the Clean Air Act. We request authority to intervene in this case, as well.

STATUS: Motion to intervene pending.

* * *

2. NEW CASE: **County of Imperial, et al. v. Imperial Irrigation District, et al., Court of Appeal Case No. C074592**

NATURE OF CASE: Pursuant to the Board's earlier authorization, staff served an application for leave to file an amicus curiae brief and proposed brief for filing on September 4, 2014. This case challenges the CEQA documents supporting the Imperial Irrigation District's agreement to transfer water to the San Diego County Water Authority, which will result in the Salton Sea receding and exposing dry lakebed to the desert winds. This will result in increased PM10 emissions in the Imperial Valley and the Coachella Valley. Our brief argues that the mitigation measures adopted by Imperial Irrigation District are not "fully enforceable" as required by CEQA, and that Imperial Irrigation District failed to explain its findings that mitigation measures that would reduce air quality impacts to insignificant were infeasible.

STATUS: Pending in Court of Appeal; application for leave to file amicus brief pending.

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3. NEW CASE: **National Association for Surface Finishing, et al. v. U.S. EPA, U.S. District Court, D.C. Circuit, Case No. 12-1459 (consolidated with Nos. 12-1460 and 13-1147)**

NATURE OF CASE: Pursuant to the Board's earlier authorization, we joined an amicus curiae brief filed by the California Air Resources Board and the State of New York in this case. We argued that EPA failed to properly apply the Clean Air Act standards for "maximum available control technology" (MACT) for sources of hazardous air pollutants in revising their emission standards for chrome plating facilities. Also, EPA improperly excluded data from California chrome plating facilities in determining what emission standards facilities can meet. As a result, California chrome platers are subject to stricter standards (adopted years ago by SCAQMD and then CARB) than platers in the rest of the United States, putting them at a competitive disadvantage. We believe this is contrary to the intent of the Clean Air Act. The case is important because it will establish the legal standard for "MACT" for all sources of hazardous air pollutants, not just chrome platers.

STATUS: Amicus brief filed.

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4. **CASE:** **U.S. EPA Petition for Declaratory Order – Surface Transportation Board, Docket No. FD35803**

NATURE OF CASE: On January 24, 2014, EPA filed a petition with the Surface Transportation Board (STB), which primarily regulates railroads, for an order determining whether SCAQMD Rules 3501 and 3502 would be preempted if EPA approved them into the SIP. The railroads argue that these rules, which limit idling to 30 minutes in certain cases, and required simple records of events exceeding 30 minutes, are preempted by the Interstate Commerce Commission Termination Act (ICCTA).

STATUS: **(No change from last month.)** Any interested person may file a reply with the STB within 20 days (February 13, 2014). We filed pleadings supporting our position and obtained support from Communities for Environmental Justice, CARB, and the State of Massachusetts, which has a SIP-approved rule applicable to locomotive idling.

On February 26, the STB opened a proceeding giving the parties until March 28 to file further evidence and arguments and until April 14 to file replies. All parties filed additional evidence and/or arguments on March 28. On April 14, the District, CARB, the Railroads, and the Association of American Railroads filed replies. Unexpectedly, the U.S. Department of Transportation—not previously a party—filed “concerns” regarding the District’s Rules. As this was new matter not previously raised, the District requested leave to file a short proposed reply to the DOT filing. The STB has accepted this reply.

* * *

5. **CASE:** **SCAQMD v. U.S. EPA, U.S. Court of Appeals, Ninth Circuit, Case No. 13-73936**

NATURE OF CASE: Pursuant to the Board’s directive, staff filed a challenge to EPA’s action creating a separate nonattainment area for Morongo lands with a classification of “severe-17” for ozone. SCAQMD is concerned that this gives businesses locating at Morongo a competitive advantage over South Coast Basin facilities so that facilities will preferentially locate there, causing adverse air quality effects downwind in the Coachella Valley.

STATUS: **(No change from last month.)** The parties agreed to participate in the Ninth Circuit Court of Appeals mediation program. There was a mediation conference call held on February 12, 2014, and the parties will hold a call on March 5, 2014. The parties have held two

settlement calls and have scheduled a further mediation call for September 24, 2014.

* * *

6. CASE: **Utility Air Regulatory Group v. U.S. EPA, U.S. Supreme Court Case No. 12-1146 (consolidated with 12-1272, 12-1248, 12-1254, 12-1268, and 12-1269)**

NATURE OF CASE: Various industry groups filed a challenge to EPA's GHG permitting rules, arguing that the Clean Air Act did not authorize EPA to regulate GHGs from stationary sources. The D.C. Circuit Court of Appeals upheld EPA's rules. The U.S. Supreme Court granted review.

STATUS: Pursuant to prior authorization, SCAQMD joined an amicus brief, together with UCLA Law School's Emmett Center for Climate Change, addressing the practicalities of GHG permitting, our experience so far, and our support for EPA's phased approach to GHG permitting. The case was argued in the U.S. Supreme Court on February 24, 2014. The U.S. Supreme Court entered judgment on June 23, 2014 affirming in part and reversing in part the decision of the Circuit Court. The Court held that the Clean Air Act neither compels nor permits the Environmental Protection Agency to adopt an interpretation of the Clean Air Act requiring a stationary source of pollution to obtain a "Prevention of Significant Deterioration" or Title V permit on the sole basis of its potential greenhouse-gas emission. However, EPA reasonably interpreted the Clean Air Act to require sources that would need permits based on their emission of chemical pollutants to comply with "best available control technology" for greenhouse gases. The parties have been directed to file motions setting forth any necessary further proceedings in the Court of Appeal upon remand from the U.S. Supreme Court.

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7. NEW CASE: **Friends of the Fire Rings v. South Coast Air Quality Management District and City of Newport Beach, Orange County Superior Court No. 30-2013-00690328-CU-WM-CXC**

NATURE OF CASE: Petitioners challenge the SCAQMD's adoption of amendments to Rule 444 relating to fire rings on the beach. The City of Newport Beach has been added as a "DOE" defendant, since that City has voted to remove about half of the fire rings at Balboa Pier and Corona del Mar. The complaint alleges violation of the Coastal Act, CEQA, the Equal Protection Clause, and numerous provisions of the Health & Safety Code pertaining to the substance and process

for the rule amendments. The District was served on December 12, 2013, and the City of Newport Beach on January 2, 2014.

STATUS:

(No change from last month.) A hearing on Petitioner's motion for Preliminary Injunction, which sought to stay the Board's July 2013 amendments regarding beach burning, was held on January 31, 2014. Orange County Superior Court Judge Judge Robert Moss denied the motion for preliminary injunction, finding that the District had presented adequate evidence to show that wood burning can be harmful to human health and that the amendments allowed the use of charcoal and liquid fuel and did not mandate the specific configuration of the fire rings.

The parties have met and conferred and stipulated to transfer the case to San Diego County pursuant to section 30806 of the Public Resources Code. On March 20, 2014, the court served a notice of transfer to the Superior Court of San Diego County. The District is in the process of completing preparation of the record and responding to petitioners' requests re the record. Once the record is certified the District and Newport Beach will file their answers to the complaint and the matter will later be set for hearing. Contrary to their prior representation, Petitioners have failed to dismiss their CEQA claim, which is barred by the statute of limitations, so we will be filing a limited demurrer to get rid of that claim.

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8. CASE:

Natural Resources Defense Council, Inc., et al. v. U.S. EPA,
Ninth Circuit Court of Appeals Case No. 13-70544

NATURE OF CASE:

On February 12, 2013, Natural Resources Defense Council and Communities for a Better Environment filed a lawsuit against EPA challenging its approval of South Coast Air Quality Management District Rule 317, Clean Air Act Non-Attainment Fee. Rule 317 is a local fee rule submitted to address section 185 of the Clean Air Act with respect to the 1-hour ozone standard for anti-backsliding purposes. Rule 317 relies on fees imposed on mobile sources under state law. EPA finalized approval of Rule 317 as an alternative to the program required by section 185 and determined that the District's alternative fee-equivalent program is not less stringent than the program required by section 185.

STATUS:

(No changes since last month.) EPA's motion to continue the stay pending the San Joaquin lawsuit was denied. EPA filed its answering brief on September 8, 2014; the respondents-intervenors' briefs are due September 30, 2014; and the optional reply brief is due October 30, 2014.

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9. CASE: **Communities for a Better Environment, et al. v. U.S. EPA, et al., U.S. Court of Appeals, Ninth Circuit, Case No. 13-70167**

BACKGROUND: On January 14, 2013, Communities for a Better Environment (CBE) and California Communities Against Toxics (CCAT) filed a Petition for Review of EPA's final rulemaking that was issued on November 14, 2012. The challenged rulemaking constituted EPA's supplemental, final action to approve a source-specific SIP revision allowing the District to transfer offsetting emission reductions for PM₁₀ and SO_x to the CPV Sentinel Energy Project, a natural gas fired power plant, through the AB 1318 tracking system. EPA first issued a final rulemaking to approve the District's transfer of offsets to the CPV Sentinel Energy Project on April 20, 2011. That rulemaking was challenged by the same Petitioners through a Petition to Review in the Ninth Circuit (Case No. 11-71127). After briefing and oral argument in that case, the Ninth Circuit issued an order remanding the final rule, without vacatur, to EPA on July 26, 2012. This second, final rulemaking is the product of EPA's re-examination of the April 20, 2011 rulemaking.

STATUS: The Board authorized staff to file a motion to intervene on behalf of EPA, which CPV Sentinel and the District have each filed. The court granted both parties' motions. Petitioners' opening brief was filed on February 7, 2014. Respondent's answering brief was filed on May 7, 2014; the Intervenor's (CPV Sentinel, LLC and the District) briefs were filed on June 9, 2014; and Petitioners' optional reply brief was filed on June 30, 2014. Oral argument has been set for October 22, 2014.

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10. CASE: **Medical Advocates for Healthy Air, et al v. U.S. EPA, Ninth Circuit Court of Appeals Case No. 12-73386**

BACKGROUND: On October 19, 2012, Petitioners filed a Petition for Review of U.S. EPA's approval of San Joaquin Valley Air Pollution Control District's SIP revision to include SVAPCD's equivalent alternative program to meet the Clean Air Act's section 185(e) requirements triggered by its failure to attain the revoked one-hour ozone standard. EPA based its approval on its determination that the Clean Air Act allows for such an equivalent program so long as it is not less stringent than straight section 185(e) compliance.

STATUS: (No change since last month.) With your Board's approval, we as well as SJAPCD and National Environmental Development Association's Clean Air Project moved to intervene in this case. All three requests were granted. All briefing on the case has been completed and numerous other associations have filed amicus briefs. EPA published approval of our section 185(e) equivalent program on December 14, 2012. Different petitioners filed a challenge to SCAQMD's Rule 317 on January 14, 2013. The case is no longer stayed. All briefing has been completed, and the parties await a hearing date.

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11. CASE: Communities for a Better Environment, California Communities Against Toxics, Desert Citizens Against Pollution, Natural Resources Defense Council, Inc., and Physicians for Social Responsibility-Los Angeles v. U.S. EPA, Ninth Circuit Court of Appeals Case No. 12-71340

NATURE OF CASE: This lawsuit challenges on unspecified grounds EPA's final approval of the 8-hour ozone SIP applicable to the South Coast Air Basin.

STATUS: (No change from last month.) The Governing Board at its May 4, 2012 hearing approved filing a Motion to Intervene. The District timely filed a joint motion to intervene with SCAG, which was not opposed by Petitioners or EPA. The motion has been granted. EPA has published a proposed settlement agreement, which calls for the voluntary dismissal of this lawsuit after EPA's publication of its final notice of action on the District's 1-hour ozone plan. The parties held a mediation conference with the court mediator on September 8, where Petitioners indicated they would file for dismissal. We await the filing.

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12. CASE: Medical Advocates for Healthy Air, et al. v. U.S. EPA, U.S. Court of Appeals, Ninth Circuit, Case No. 12-70630

NATURE OF CASE: This lawsuit challenges EPA's December 30, 2011 determination that the South Coast Air Basin Area, the San Joaquin Valley Area and the Southeast Desert Modified Air Quality Maintenance Area did not attain the now revoked one-hour ozone standard by the deadline for attainment established under the 1990 amendments to the Clean Air Act (76 Fed. Reg. 82,133). Petitioners take issue with the statutory authority under which EPA made those determinations and assert that EPA should have made its finding under section

179(c) of the Clean Air Act, 42 U.S.C. § 7509(c), a section that they claim would require the nonattaining areas to develop new attainment plans for the now revoked one-hour ozone standard.

STATUS:

(No change from last month.) Your Board granted authorization and the District filed its motion to intervene on behalf of EPA on March 28, 2012. Petitioners opposed the District's motion to intervene and the Court referred the motion and any related filings to the panel assigned to decide the merits of the appeal. San Joaquin Valley Unified Air Pollution Control District's unopposed motion to intervene was granted by the Court. On April 12, 2012, Petitioners and EPA held a telephone conference with the Circuit Mediator. Pursuant to the agreement of the parties, the briefing schedule was vacated and the case was stayed. A mediation conference call was held on January 16, 2014 during which it was reported that San Joaquin's 1-hour ozone plan was adopted and approved by CARB and forwarded to EPA. Based on these representations, the parties have agreed to continue to hold the case in abeyance until EPA issues a final decision on the Valley's 1-hour ozone plan. The court has entered an order to this effect and will schedule a follow-up conference call on December 16, 2014.

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13. CASE:

Physicians for Social Responsibility–Los Angeles, et al. v. U.S. EPA, Ninth Circuit Court of Appeals Case No. 12-70016 (Monitoring)

NATURE OF CASE:

On January 3, 2011, a number of environmental groups filed a challenge in the Ninth Circuit Court of Appeals to EPA's approval of the District's annual air monitoring plan. They argue that EPA should have required SCAQMD to install six (6) air monitors to detect elevated levels of PM2.5 in areas very near heavily traveled roadways. Our position and EPA's is that such monitoring is not required. This is the same issue that was raised in NRDC v EPA, 638 F.3d 1183 (9th Cir. 2011) (conformity case) in which the petitioners were unsuccessful.

STATUS:

Both EPA and the District have filed their opposition briefs, and Petitioners have filed their reply brief. EPA has published its final rule on PM-2.5 and has required near-road monitoring. This case has now been set for oral argument on October 22, 2014. The parties still seek to settle the matter and remove this case from oral argument.

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14. CASE: **Physicians for Social Responsibility et al. v. EPA, Ninth Circuit Court of Appeals Case No. 12-70079 (PM2.5)**

NATURE OF CASE: On November 9, 2011, the U.S. EPA approved in part and disapproved in part the 2007 PM2.5 SIP (including elements from SCAG, SCAQMD, and CARB) which is part of the 2007 AQMP. The only part disapproved was the contingency measures. Physicians for Social Responsibility and others filed a challenge to EPA's approval in the applicable Court of Appeals. The Board authorized staff to file a motion to intervene to help EPA defend the case and that motion (filed jointly with SCAG) was granted. Environmental petitioners raised several issues in opposition to the EPA's proposed SIP approval, including issues regarding the enforceability of control measures, and lack of near-roadway monitoring.

STATUS OF CASE: The Ninth Circuit mediator held a conference with all the parties on February 21, 2012. Following discussions, the mediator set a schedule for the petitioners to submit a proposal to settle the case to defendants and intervenors by March 20. The mediator set a further conference call for April 13 to determine whether further discussion would be fruitful or whether a briefing schedule should be established. Petitioners provided a proposal which would have called for staff to agree to near roadway monitoring for PM2.5, to adopt new contingency measures which would be developed through mediation with the petitioners, and to agree to EPA imposing sanctions on the region if CARB does not adopt all its control measures by January 1, 2014. Staff concluded that this proposal was unacceptable and so notified the Petitioners. Petitioners' Opening Brief was filed on July 13, 2012; EPA's Respondent's brief was filed on October 26, 2012; and our Joint Intervenor's brief was filed on November 16, 2012. Petitioners' Reply Brief was filed on February 4, 2013. This case has now been set for oral argument on October 22, 2014.

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15. CASE: **Communities for a Better Environment, California Communities Against Toxics, v. U.S. EPA, Ninth Circuit Court of Appeals Case No. 12-72358**

NATURE OF CASE: On July 24, 2012, Communities for a Better Environment and California Communities Against Toxics filed a Petition for Review of EPA's final rulemaking approving a revision to the District's portion of the California State Implementation Plan that incorporates Rule 1315 – Federal New Source Review Tracking System. The approved SIP revision establishes the procedures for

demonstrating equivalency with federal offset requirements by specifying how the District will track debits and credits in its Offset Accounts for Federal NSR Equivalency for specific federal nonattainment pollutants and their precursors.

STATUS:

(No change from last month.) The Board authorized staff to file a motion to intervene on behalf of EPA. Our motion to intervene was filed on August 17, 2012 and on August 21, 2012 the court issued an order granting the District's motion. The opening brief was filed by Petitioners on November 15, 2012. EPA's answering brief was filed by February 20, 2013 and the District's intervenor brief was filed on April 3. Petitioners' optional reply brief was filed on June 7, 2013. Oral argument has been set for October 22, 2014.

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16. CASE:

California Building Industry Ass'n v. Bay Area Air Quality Management District, California Court of Appeal, First Appellate District, Case Nos. A135335 & A136212

NATURE OF CASE:

The Board authorized staff to file an amicus brief in support of Appellant Bay Area AQMD. In 2010, the Bay Area AQMD adopted a series of thresholds of significance ("Thresholds") for greenhouse gases ("GHGs") and toxic air contaminants ("TACs"). In response to the Bay Area's adoption of the Thresholds, the California Building Industry Association ("BIA") filed suit, asserting, among other things, that: (1) adopting the Thresholds was a "project" under CEQA and the Bay Area was thus required to analyze the environmental impacts of adopting the Thresholds; and (2) that the TAC Receptor Thresholds unlawfully required an analysis of the effect of the existing toxic air pollution on the proposed project. The trial court held that the Bay Area's adoption of the Thresholds was a "project" under CEQA, but the court declined to reach the issue of whether the TAC Receptor Thresholds were contrary to CEQA. The Bay Area has appealed the trial court's ruling that adopting the Thresholds is a "project" under CEQA, and BIA has requested that the court of appeal resolve its claim that the TAC Receptor Thresholds violated CEQA.

STATUS:

(No change from last month.) The California Court of Appeal issued a decision on August 13, 2013. The court held that the promulgation of thresholds of significance by a public agency is itself not a "project" subject to CEQA review. It also held that the TAC Receptor Thresholds are not facially invalid because they can be used during CEQA review of a proposed project in ways other than analyzing the effect of the pre-existing pollution on the proposed project, such as determining whether the proposed project

itself would increase the TACs to a cumulatively considerable level, determining the health risks to students when a school project is located within a specified radius of a source of TACs, or determining whether the project is consistent with the area's general or specific plan. The court declined to decide whether the TAC Receptor Thresholds unlawfully required an analysis of the pre-existing pollution on the proposed project, stating that that discussion is better reserved for a case in which the Thresholds have actually been applied to a proposed project. The CBIA has filed a petition for review. On November 26, 2103, the California Supreme Court granted review of the question of what circumstances under CEQA, if any, requires an analysis of how existing environmental conditions will impact future residents or receptors of a proposed project. We filed an amicus brief in support of BAAQMD on April 16, 2014.

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17. CASE: **Friedman Marketing v. SCAQMD, California Court of Appeal, Second Appellate District, Case No. B249836**

NATURE OF CASE: Appellant appeals the lower court's adverse decision granting the SCAQMD's demurrer without leave to amend. Appellant had filed a First Amended Complaint seeking declaratory relief that the SCAQMD could not enforce its Rule 461 against appellant's customers for installing uncertified vapor recovery equipment on the ground that CARB's regulations exempted the equipment from certification. Despite suing CARB, and getting an adverse decision from the court, Petitioner nevertheless sued the District for allegedly improperly enforcing CARB's certification requirement. The court granted the District's demurrer mainly on the ground that Appellant had failed to exhaust its administrative remedies by not completing its application for certification to CARB.

STATUS: The Court heard oral argument on August 7, 2014. The court upheld the sustaining of the demurrer based on collateral estoppel and failure to exhaust administrative remedies.

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18. CASE: **SCAQMD v. Harvey Eder, California Court of Appeal, Second Appellate District, Case No. B251627**

BACKGROUND: SCAQMD appeals from the trial court's judgment granting SCAQMD's dismissal for failure to timely file an amended complaint but without prejudice. Mr. Eder had filed a cross-appeal of the judgment granting dismissal. On June 12, 2013, the court

sustained the SCAQMD's demurrer with 30 days leave to amend to Mr. Eder's complaint that the SCAQMD was required to include in its AQMP a requirement to immediately convert the Basin to solar energy. Mr. Eder did not file an amended complaint, and on September 13, 2013, the District moved to dismiss the complaint with prejudice. The court granted the dismissal but without prejudice, effectively allowing Mr. Eder to re-file his complaint.

STATUS:

Mr. Eder filed his opening brief on July 30, 2014. The District's brief has been filed.

Air Resources Board
Tentative Calendar for Control Measures and Selected Items
(September 2014)

(Hearing dates and agendas are subject to change; please see <http://www.arb.ca.gov/board/board.htm> for the current Board meeting agenda.)

September 18, 2014 – Sacramento

- **Mammoth Lakes PM10 Maintenance Plan and Redesignation Request**

<http://www.arb.ca.gov/planning/sip/planarea/qbasin/qbasin.htm>

The Board will consider approval of the Mammoth Lakes PM10 Maintenance Plan and Redesignation Request for inclusion in the California SIP.

- **Amendments to the California Cap on Greenhouse Gas Emissions and Market Based Compliance Mechanisms**

<http://www.arb.ca.gov/regact/2014/capandtrade14/capandtrade14.htm>

The Board will consider a proposal to amend the California Cap-and-Trade Regulation to provide additional clarity for implementation, address stakeholder concerns regarding registration of corporate associations, clarify offset transfer price reporting, modify allocation for two entities, and modify existing offset protocols. Specifically, the proposed amendments would:

- Clarify how producers quantify their product data;
- Alter allowance allocation for two covered entities based on new information;
- Include a compliance obligation for imported carbon dioxide;
- Update the Ozone Depleting Substances Protocol, the Livestock Protocol, and the U.S. Forest Protocol for quantification methods; and
- Modify requirements related to compliance, corporate association disclosures, and offset transfer price reporting.

Board Meetings October through December 2014

- **Amendments to the LEV III and Hybrid Electric Test Procedures, Amendments to the Zero-Emission Vehicle Regulation, and Progress on the Advanced Clean Cars Program**

<http://www.arb.ca.gov/msprog/levprog/leviii/leviii.htm>

http://www.arb.ca.gov/msprog/consumer_info/advanced_clean_cars/acc.htm

<http://www.arb.ca.gov/msprog/zevprog/zevprog.htm>

Staff will present to the Board an update on the progress that has been made to date to address the Board's directives regarding the Advanced Clean Cars (ACC) program, which included increased zero-emission vehicle (ZEV) requirements through 2025

model year, and the next generation of light- and medium- duty greenhouse gas (GHG) and criteria pollutant emission standards (LEV III).

In adopting ACC, the Board committed to conduct a comprehensive midterm review, which includes evaluating the appropriateness of the ZEV targets as well as collaborating on a Technical Assessment Report with U.S. EPA and NHTSA for the GHG standards. The Draft (Joint) Technical Assessment Report must be published for public comment no later than November 15, 2017. The U.S. EPA must make a final decision on opening the rule for changes no later than April 1, 2018. The ARB midterm review will also occur in this same timeframe.

The ARB midterm review will include the following elements:

- GHG: In coordination with U.S. EPA and NHTSA, evaluating the appropriateness of the 2022 through 2025 model year GHG standards for light- and medium-duty vehicles.
- ZEV: Assessing market penetration and response to transitional zero emission vehicles (TZEV) and ZEVs, and evaluating the standards adopted by the Board. The amendments that will be proposed in October will address the appropriate treatment of automakers who produce more than 20,000 cars per year, but less than 60,000 cars per year.
- Particulate Matter (PM): Assessing laboratory measurement capability at vehicle low PM levels and evaluating the 1 milligram per mile PM tailpipe standard beginning in the 2025 model year.
- LEV III regulations: These changes will incorporate various federal Tier 3 provisions, which would allow manufacturers to certify both California and federal vehicles using a single set of test procedures. The proposed changes will also include revisions to the hybrid electric vehicle test procedures; these changes are designed to reduce the test burden and simplify testing requirements for manufacturers.
- **Minor Updates to the 1997 8-Hour Ozone Standard SIPs: Coachella Valley and Western Mojave Desert Ozone Nonattainment Areas**
<http://www.arb.ca.gov/planning/sip/sip.htm>

The board will consider minor updates to the 1997 8-Hour Ozone Standard SIPs in the Coachella Valley and Western Mojave Desert Ozone Nonattainment areas. The 2007 Coachella Valley and the 2008 Western Mojave Desert 8-hour ozone SIPs are being updated to reflect the latest emission inventory, control measures, economic forecasts, transportation activity projections and vehicle miles traveled offset demonstrations. This SIP update will support U.S. EPA's approval of the 2007 Coachella Valley and the 2008 Western Mojave Desert 8-hour ozone SIPs for attainment of the 1997 8-hour ozone standard.

- **2014 Revisions to the San Joaquin Valley PM2.5 SIP**
<http://www.arb.ca.gov/planning/sip/sip.htm>

Staff will propose to submit an emission reduction measure for mobile source incentive programs as a revision to the 2008 SJV PM2.5 SIP that was revised in 2011.

- **Consider Approval of the Imperial PM2.5 Plan**
<http://www.arb.ca.gov/planning/sip/sip.htm>

The Board will consider approval of the 2013 Imperial County State Implementation Plan for attainment of the federal 24-hour PM2.5 standard.

- **San Joaquin Valley 8-Hour Ozone Update**
<http://www.arb.ca.gov/planning/sip/2007sip/sjv8hr/sjvozone.htm>

The Board will hear an update of the air quality modeling developed for the San Joaquin Valley's 8-hour Ozone Plan, approved in 2011. This update will reflect emissions inventory improvements as well as updates to modeling tools and other information since 2007.

- **Proposed Adoption of a Rice Protocol for Cap and Trade Regulation (First Hearing of Two)**
<http://www.arb.ca.gov/cc/capandtrade/protocols/riceprotocol.htm>

The Board will consider adopting a protocol to quantify and report greenhouse gas (GHG) emission reductions from flooded rice fields. The protocol would provide eligibility rules, methods to quantify GHG emission reductions, offset project monitoring instructions, and procedures for preparing Offset Project Data Reports. All offset projects would be required to submit to independent verification by ARB-accredited verification bodies. Regulatory requirements for verification of Offset Project Data reports will be provided in the Cap-and-Trade Regulation.

This protocol will be designed to ensure the complete, consistent, transparent, accurate, and conservative quantification of GHG emission reductions associated with a Rice Cultivation project. The protocol will be comprised of both quantification methodologies and regulatory program requirements to develop a Rice Cultivation project for generating ARB offset credits.